



37322 Galbraith Road
Box 187
Squamish BC V8B 0A2
www.carbonengineering.com

Secretary James Kenney
New Mexico Environment Department
PO Box 5469
Santa Fe, NM 87502

January 28th, 2021

Dear Secretary Kenney,

I am writing on behalf of Carbon Engineering to express strong support for the New Mexico Senate Bill 14 (SB14), the Clean Fuel Standard Act.

Carbon Engineering is a global leader in the development of Direct Air Capture (DAC) technology capable of removing carbon dioxide from atmospheric air and delivering it in a pure compressed stream suitable for injection or use. The technical success we have showcased at our innovation centre in Squamish BC has led to the development of a full-scale DAC to sequestration facility in the U.S. Permian Basin with licensor 1PointFive, which is presently in engineering. This facility is expected to have a capacity of up to 1 million tonnes of CO₂ removal per year, which will make it the largest in the world by an order of magnitude once operational in 2024-2025.

We were pleased to see SB14 recognize the importance of DAC to sequestration as a compliance pathway to decarbonize transportation. Transportation is a difficult to abate sector and DAC to sequestration projects would not only enable deeper decarbonization but also create stable, high-quality jobs. Overall, a Clean Fuel Standard will spur investments to create good jobs in New Mexico, as well as diversify economic opportunities for existing industries in the state, including forestry, renewable electricity, oil, and agriculture. Due to its technology-neutral approach, SB14 implements Executive Order 2019-003 to adopt market-based programs to reduce greenhouse gas emissions, and complements the clean car standards currently in process. In addition, SB14 will protect both public health and the environment, by reducing an estimated 65 million metric tons of greenhouse gases by 2040.

This important piece of legislation can invigorate New Mexico's energy economy, protect the environment, combat climate change, and establish New Mexico's leadership in a national transition to clean fuels.

Respectfully,

Elise Lepine
Policy and Engagement Lead, Carbon Engineering
e: elepine@carbonengineering.com
t: 1.604.802.3046